COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF COLUMBIA)	CASE NO. 2003-00412
GAS OF KENTUCKY, INC.)	

ORDER

On December 13, 2002, in Case No. 2002-00145, the Commission approved rates for Columbia Gas of Kentucky, Inc. (Columbia) and provided for their further adjustment in accordance with Columbia's gas cost adjustment (GCA) clause.

On October 31, 2003, Columbia filed its proposed GCA to be effective with its December 2003 billings.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

- Columbia s notice includes rates designed to pass on to its customers its expected change in wholesale gas costs.
- 2. Columbia's expected gas cost (EGC) is \$7.7244 per Mcf, an increase of 10.04 cents per Mcf from its last EGC of \$7.6240.
- 3. Columbia's notice sets out a rate for Banking and Balancing Service of 2.09 cents per Mcf.
 - 4. Columbia s notice sets out no take-or-pay refund adjustment.
- 5. Columbia's notice sets out no transportation take-or-pay refund adjustment.

6. Columbia's notice sets out no current quarter refund adjustment (RA).

Columbia's notice sets out a total RA of .24 cent per Mcf. This represents an increase

of .4 cent from the prior RA.

7. Columbia's notice sets out an annual actual cost adjustment of \$2.1336

per Mcf. This represents no change from the previous rate.

8. Columbia's notice sets out a balancing adjustment of (.01) cent per Mcf.

This represents no change from the previous rate.

9. Columbia s notice sets out a Special Agency Service refund adjustment of

.02 cent per Mcf. This represents no change from the previous rate.

10. Columbia's approved gas cost recovery rate (GCR) is \$9.8553 per Mcf,

which is 10.44 cents per Mcf more than its previous GCR of \$9.7509.

11. The rates in the Appendix to this Order are fair, just, and reasonable, and

should be approved for billing with the final meter readings of the first billing cycle of

December 2003.

IT IS THEREFORE ORDERED that the rates in the Appendix to this Order are

approved for billing with the final meter readings of the first billing cycle of December

2003.

Done at Frankfort, Kentucky, this 21st day of November, 2003.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2003-00412 DATED November 21, 2003

The following rates and charges are prescribed for the customers in the area served by Columbia Gas of Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Gas Cost Recovery Rate

The total Gas Cost Recovery Rate shall be \$9.8553 per Mcf during the period covered by the bill.